

DRAFT

23 September 1954

IMPLEMENTATION OF THE USIA SURVEY REPORT

On 23 July 1954, the DCI approved the ~~subject report~~ *Report of Survey of USIA's Intelligence Needs*. The following progress has been made in implementing the recommendation of that report:

Part I- Intelligence Needs

Recommendation: \*4a. That the Director of USIA approve the statement of 'Types of Intelligence and Intelligence Information Required to Meet USIA's Essential Needs' (Conclusion 3c, pp. 1-3) as the basis for requesting intelligence and intelligence information for USIA.

Progress: Approved by the Director of USIA, *in* his letter to the DCI of 30 July 1954.

Recommendation: \*4b. That the IAC agencies approve Conclusion 3c as the basis for providing intelligence and intelligence information needed by USIA. (~~Action: DCI, with appropriate IAC members.~~)

Progress: Approved by the IAC (IAC-D-82/5)

Recommendation: \*4c. That the IAC approve the recommended distribution of National Intelligence (~~Tab A~~). (~~Action: DCI and the IAC.~~)

Progress: Approved by the IAC. USIA designated by the NSC on 9 September 1954, as a recipient of national intelligence subject to IAC determination. (IAC-D-82/3).

Recommendation: \*4d. That CIA and State approve the recommended distribution of certain of their intelligence publications (~~Tab A~~). (~~Action: DCI, State/Special Assistant, Intelligence.~~)

Progress: CIA's approval given by the DCI in his approval of the report on 23 July 1954. State's approval given by letter from Acting Special Assistant to the Secretary of State to the DCI on July 28, 1954.

Recommendation: \*4e. That USIA arrange directly with the military intelligence agencies for receipt of certain of their intelligence publications.

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*(3a concluded that the "upper of the intelligence" statement was not the "upper of the intelligence" and 3b concluded that the intelligence should be provided by a single organization)*

**Progress:** USIA has addressed the military agencies by letter to institute discussions for receipt by USIA of military intelligence. ONI and G-2 have responded, and, according to USIA, there has been no problem with respect to obtaining intelligence from those two services. The Air Force has not yet responded, but is expected to do so shortly.

Part 2--Related Needs of Other Agencies

**Recommendation:** 4 That the appropriate IAC members approve conclusions 3a and b above as a basis for providing intelligence support to meet the related needs of other agencies. (Action-DCI with appropriate IAC members.)

**Progress:** Approved by the IAC (IAC-D-82/5)

Part 3--Organizational Arrangements

**Recommendation:** 4a. That the Department of State, as the appropriate agency under NSCID-3, expand and redirect the resources of its intelligence organization so as to accomplish the additional production, principally under the NIS program, recommended above. This will require the use for these purposes of additional funds and personnel over and above those now available in the Department of State or elsewhere/. Eventually, the additional outlay required under the NIS program might amount to \$400,000 or possibly even more. Because of problems of recruitment and production planning, however, only \$150,000 to \$200,000 and 30 to 40 additional slots over and above those originally budgeted will be required for these purposes in the Fiscal Year 1955. Except insofar as these resources can be made available by the curtailment of other activities in the Department of State's intelligence organization or elsewhere,

**Progress:** Negotiations are currently under way, at the unstance of the DCI, between ~~Mr. [redacted]~~ and Armstrong to settle the question of location, either in CIA or State, of the responsibility to produce intelligence on international communism. If the responsibility is left in the Department,

~~Mr. [redacted]~~

If the responsibility is located in CIA, arrangements will be made as soon as possible to settle

and method of operation.

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With regard to the expansion of NIS production, in line with the USIA survey, on subject matter other than international communism, the DCI on 23 September 1954

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**Recommendation:** "4b. That USIA establish an intelligence organization separate from the Department of State, with function and organizations as set forth in Tab B and Annex A to Tab B, and with funds provided by USIA's regular appropriations. Until a sufficient amount of time has passed for the implementation of this report the organization should have a T/O of an order of magnitude of 70 to 90 positions."

**Progress:** The intelligence organization recommended by the survey has been established and key officials appointed. Its T/O is set at 95 persons, including eight for the provision of reference services on U.S. information (American). Its major organizational problem is in recruitment, particularly the recruitment of key area intelligence analysts.

**Recommendation:** "4c. That the following organizations now under the administration of USIA be abolished: CPI, VOA Library & Research, Photo and IPS Libraries, and that part of IEV which has been engaged in the collection and production of intelligence. The slots and money thus freed will be enough to meet a T/O of the order of magnitude described above."

**Progress:** All units recommended for abolition have been abolished with the exception of the small Photo and News Morgue which are remaining with the Press Service.

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Recommendation: "4d. That USIA be invited to participate in pertinent activities of the IAC subcommittees on basic intelligence defectors, and foreign language publications. (Action: DCI, with Chairmen of the NIS, IDC, and FLP subcommittees.)"

Progress: The acting DCI on 17 August 1954 requested the Chairmen of the three subcommittees to take necessary action. The Director of the new USIA Intelligence Organization has already conferred with the Chairmen of IDC and FLP subcommittees.

With the <sup>additional production</sup> expansion of NIS underway, initial work to concentrate on greater production within the existing NIS outline, the Director, USIA intelligence will be invited when appropriate by the Chairmen of the NIS committee to participate in a detailed discussion <sup>of the NIS committee</sup> with the NIS committee, including discussion of a revision of the NIS outline.

Recommendation: "4e. That CIA issue instructions to the field to report, insofar as possible, available "descriptive detail" of items of local interest."

Progress:

Recommendation: "4f. That USIA inform the intelligence agencies as to USIA's present security practices in order to assure safe handling of classified intelligence and information, and make such adjustments as may be necessary to insure the necessary freedom of exchange and discussion. (Action: Director, USIA, in consultation with each intelligence agency.)"

Progress: This has been done.

#### Part 4--USIA Assets

Recommendation: "4a. That <sup>USIS</sup> such reporting be coordinated and conducted under the direction of the USIA intelligence organization in coordination with the State Department.

Recommendation: "4b. That such reporting be coordinated in the field by the Chief of the U.S. Mission, as is his responsibility generally."

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Progress: The Director of the USIA Intelligence Organization, due to the newness of his organization, is not yet prepared to institute the reporting actions. However, in order to educate the PAO's and USIS personnel on the recommendations of the survey, he is distributing a briefing circular for the field, which he will coordinate before dispatch with State and CIA. The circular, it is planned, will be part of the initiation of coordinated field reporting.